

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF IOWA**

In re:)	
)	Chapter 11
MERCY HOSPITAL, IOWA CITY, IOWA,)	Case No. 23-00623 (TJC)
<i>et al.</i> ,)	
)	Jointly Administered
Debtors.)	EXPEDITED RELIEF REQUESTED

**DEBTORS' EXPEDITED MOTION TO CONTINUE MATTERS SET FOR HEARING
ON NOVEMBER 28, 2023**

Mercy Hospital, Iowa City, Iowa (“Mercy” or the “Hospital”) and certain of its affiliates and subsidiaries, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Debtors”), hereby move (the “Motion”) for entry of an order substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), granting the relief described below. In support thereof, Mercy respectfully represents as follows:

RELIEF REQUESTED

1. By the Motion, Debtors respectfully request the entry of the Proposed Order continuing the matters set for hearing on November 28, 2023 at 10:30 A.M. (the “Hearing”) until future hearings on these matters to be set at a later date.

2. The United States Bankruptcy Court for the Northern District of Iowa (the “Court”) has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the Public Administrative Order referring bankruptcy cases entered by the United States District Court for the Northern District of Iowa. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and the Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

3. The legal predicates for the relief requested herein are section 105 of title 11 of the United States Code (the “Bankruptcy Code”) Rule 5071-1 of the *Local Rules of Bankruptcy Practice and Procedure* (the “Local Rules”).

BACKGROUND

4. On October 9, 2023, co-counsel for the Debtors, McDermott, Will & Emery LLP (“MWE”) filed an application for compensation for the postpetition portion of August 2023 (the “MWE August Fee Statement”) pursuant to this Court’s *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 224] (the “Interim Compensation Order”).

5. On November 6, 2023, the United States Trustee’s office filed an objection to the MWE August Fee Statement [Docket No. 467] (the “Objection”).

6. On November 16, 2023, the Court set November 28, 2023 as the Hearing date for the MWE August Fee Statement and the Objection.

7. On November 7, 2023, the Court entered an order approving the sale to the State University of Iowa (the “University”) of substantially all of the Debtors’ assets [Docket No. 476] (the “Sale Order”).

8. On November 16, 2023, Everbank, N.A. (“Everbank”) filed a *Motion to Reconsider Order Approving Sale and to Compel Performance* [Docket No. 519] (the “Reconsideration Motion”). The Reconsideration Motion asks the Court to amend the Sale Order so as to allow the Debtors and University to include the personal property lease held by Everbank on the *Asset Purchase Agreement*’s schedule of contracts (the “APA Schedules”) available for assumption by

the Debtors and assignment to the University. The Reconsideration Motion also sought to compel the Debtors payment of, among other things, postpetition lease fees.

CONTINUANCE OF THE HEARING

9. MWE and the United States Trustee's office have discussed the MWE August Fee Statement and Objection and have agreed, pursuant to the Interim Compensation Order, to allow the Debtors to pay MWE 70% of its fees and 100% of the expenses sought in the MWE August Fee Statement at this time. The parties have also agreed with continue the Hearing with respect to the remaining 30% of fees for the MWE August Fee Statement and each reserves all rights with respect thereto. The Debtors intend on setting the remaining issues related to the MWE August Fee Statement, if necessary, for a later date.

10. Accordingly, the Debtors respectfully request that the Court continue the Hearing with respect to the MWE August Fee Statement..

11. The Debtors also respectfully request the Court continue the Hearing with respect to the Reconsideration Motion.

12. Counsel for the Debtors and Everbank are in discussions about filing a stipulated order that would resolve certain issues raised in the Reconsideration Motion. The parties would benefit from additional time to continue such discussions to potentially resolve these issues.

13. Counsel for the United States Trustee and Everbank have consented to the relief requested in this Motion. According, this Motion complies with Local Rule 5071-1.

14. Good cause exists to continue the Hearing. The Debtors are in active discussions with the United States Trustee and Everbank to potentially resolve consensually the issues set for the Hearing. Allowing the parties to continue these discussions will allow the Debtors to avoid the

costs of preparing for and attending the Hearing, the need for which may be mooted by agreement of the parties.

15. Accordingly, the Debtors respectfully request that the Court grant this Motion and continue the Hearing as set forth in the Proposed Order and grant any other relief that is equitable and just.

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Dated: November 22, 2023
Cedar Rapids, Iowa

Respectfully Submitted,

/s/ Roy Leaf

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Counsel for Debtors and Debtors-in-Possession

Certificate of Service

The undersigned certifies, under penalty of perjury, that on this November 22, 2023, the foregoing document was electronically filed with the Clerk of Court using the Northern District of Iowa CM/ECF and the document was served electronically through the CM/ECF system to the parties of this case

/s/ Roy Leaf